

## 2.C Medicare: History of Provisions

Table 2.C1.—Medicare cost sharing and premium amounts, 1966-99

Beginning <sup>1</sup> —	Hospital Insurance					Supplementary Medical Insurance					
	All expenses in “benefit period” covered except—				Monthly premium <sup>2</sup>	Annual deductible	Coinsurance (in percents)	Monthly premium			
	Inpatient hospital deductible (IHD) covers first 60 days	Inpatient hospital daily coinsurance		Skilled-nursing facility daily coinsurance after 20 days (1/8 X IHD)				For enrollee (aged and disabled) <sup>3</sup>	Government amounts for—		
		61st through 90th days (1/4 X IHD)	Lifetime reserve days after 90 days (1/2 X IHD)						Aged	Disabled <sup>3</sup>	
July 1966 .....	\$40	\$10	(4)	(4)	...	\$50	20	\$3.00	\$3.00	...	
1967 .....	40	10	(4)	\$5.00	...	50	20	3.00	3.00	...	
1968 .....	40	10	20	5.00	...	<sup>5</sup> 50	<sup>5</sup> 20	<sup>6</sup> 4.00	<sup>6</sup> 4.00	...	
1969 .....	44	11	22	5.50	...	50	20	4.00	4.00	...	
1970 .....	52	13	26	6.50	...	50	20	5.30	5.30	...	
1971 .....	60	15	30	7.50	...	50	20	5.60	5.60	...	
1972 .....	68	17	34	8.50	...	50	<sup>7</sup> 20	5.80	5.80	...	
1973 .....	72	18	36	9.00	\$33	60	20	<sup>8</sup> 6.30	6.30	\$22.70	
1974 .....	84	21	42	10.50	36	60	20	6.70	6.70	29.30	
1975 .....	92	23	46	11.50	40	60	20	6.70	8.30	30.30	
1976 .....	104	26	52	13.00	45	60	20	7.20	14.20	30.80	
1977 .....	124	31	62	15.50	54	60	20	7.70	16.90	42.30	
1978 .....	144	36	72	18.00	63	60	20	8.20	18.60	41.80	
1979 .....	160	40	80	20.00	69	60	20	8.70	18.10	41.30	
1980 .....	180	45	90	22.50	78	60	20	9.60	23.00	41.40	
1981 .....	204	51	102	25.50	89	<sup>9</sup> <sup>10</sup> 60	<sup>10</sup> 20	11.00	34.20	62.20	
1982 .....	260	65	130	32.50	113	<sup>11</sup> 75	<sup>11</sup> 20	12.20	37.00	72.00	
1983 .....	304	76	152	38.00	113	75	20	12.20	41.80	80.00	
Jan. 1984 .....	356	89	178	44.50	155	75	20	14.60	43.80	94.00	
1985 .....	400	100	200	50.00	174	75	20	15.50	46.50	89.90	
1986 .....	492	123	246	61.50	214	75	20	15.50	46.50	66.10	
1987 .....	520	130	260	65.00	226	75	20	17.90	53.70	88.10	
1988 .....	540	135	270	67.50	234	75	20	24.80	74.40	72.40	
1989 .....	<sup>12</sup> 560	(12)	(12)	<sup>13</sup> 25.50	156	75	20	<sup>14</sup> 31.90	83.70	40.70	
1990 .....	592	148	296	74.00	175	75	20	28.60	85.80	59.60	
1991 .....	628	157	314	78.50	177	100	20	29.90	95.30	82.10	
1992 .....	652	163	326	81.50	192	100	20	31.80	89.80	129.80	
1993 .....	676	169	338	84.50	221	100	20	36.60	104.40	129.20	
1994 .....	696	174	348	87.00	<sup>15</sup> 245	100	20	41.10	82.50	111.10	
1995 .....	716	179	358	89.50	<sup>15</sup> 261	100	20	46.10	100.10	165.50	
1996 .....	736	184	368	92.00	<sup>15</sup> 289	100	20	42.50	127.30	167.70	
1997 .....	760	190	380	95.00	<sup>15</sup> 311	100	20	43.80	131.40	177.00	
1998 .....	764	191	382	95.50	<sup>15</sup> 309	100	20	43.80	132.00	150.40	
1999 .....	768	192	384	96.00	<sup>15</sup> 309	100	20	45.50	139.10	160.50	

<sup>1</sup> The HI and SMI deductible and coinsurance amounts begin in January unless otherwise noted. The HI and SMI monthly premium amounts were effective in July through 1983. Monthly premium amounts begin in January in 1984 and succeeding years.

<sup>2</sup> Premium paid for voluntary participation of individuals aged 65 or older not otherwise entitled to hospital insurance and of certain disabled individuals who have exhausted other entitlement.

<sup>3</sup> Beginning in July 1973 for the disabled.

<sup>4</sup> Benefit not provided.

<sup>5</sup> Professional inpatient services of pathologists and radiologists not subject to deductible or coinsurance, beginning in April 1968.

<sup>6</sup> Beginning in April 1968.

<sup>7</sup> Home health services not subject to coinsurance, beginning in January 1973.

<sup>8</sup> Monthly premium for July and August 1973 was reduced to \$5.80 and \$6.10, respectively, by the Cost of Living Council.

<sup>9</sup> Home health services not subject to deductible.

<sup>10</sup> Same as footnote 5, but only when physician accepts assignment.

<sup>11</sup> Effective Oct. 1, 1982, professional inpatient services of pathologists and radiologists are subject to deductible and coinsurance.

<sup>12</sup> Unlike all other years, the 1989 deductible was applied on an annual, rather than a benefit period, basis. Once the deductible was paid by the beneficiary,

Medicare paid the balance of expenses for covered hospital services, regardless of the number of days of hospitalization (except for psychiatric hospital care, which was still limited by the 190-day lifetime maximum).

<sup>13</sup> The coinsurance amount in 1989 was equal to 20 percent of the estimated national average daily cost of covered skilled nursing facility care, rather than 1/8 of the inpatient hospital deductible. The beneficiary paid the coinsurance amount for the first 8 days of care in 1989, rather than for days of care 21 to 100 in a benefit period as in all other years. Skilled nursing facility benefits were available for up to 150 days of care per year in 1989, rather than for up to 100 days of care per benefit period as in all other years.

<sup>14</sup> Includes the standard monthly SMI premium and a supplemental monthly flat premium under the Medicare Catastrophic Coverage Act of 1988. Amount shown is for most Part B enrollees. Residents of Puerto Rico and other territories and commonwealths, as well as persons enrolled in Part B only, paid different supplemental flat premiums resulting in a smaller premium than that shown.

<sup>15</sup> A reduced premium is available to individuals aged 65 or older who are not otherwise entitled to HI but who have (or who were married to, widowed from, or divorced from a spouse for certain periods of time who has or had) at least 30 quarters of Social Security coverage. The reduced premium is \$184, \$183, \$188, \$187, \$170, and \$170 for 1994 to 1999, respectively.